- University of Abdelhamid Ibn Badis
- Faculty of Economics, Management, and Commercial Sciences – **Module: English**
- Department of Finance and Accounting
- 2nd year of Licence

Professional Accounting

In any company, there are multiple individuals with multiple and important tasks to follow. Accountants for instance have very important roles that differ depending on different features.

❖ **The Importance of Accounting**

Accounting is essential to any type of business. It provides businessman with reports about the state of their financial health (good or bad). Accountants provide the individuals involved in the company with what is known by "financial statements". They are formal reports about the company's financial transactions during a certain period, and which can help the businessmen revising their financial health and see if the company is making money or losing it.

❖ **The Role of Financial Statements**: The financial statements help:

- Owners & managers in assessing/evaluating their decisions and strategies regarding their finance. They will either keep the same strategies and plans if the profit is increasing, or change their whole ways of making decisions and strategies if the profit is decreasing.
- Investors to study the company's financial performance and analyze if it suits them to invest in the future or not.
- Suppliers and employees to see if the company can pay them their money or not.

➢ Any job of accounting is responsible for the process of recording, revising, and analysing the financial transactions of a company. However, there are major differences that we find among accountants which distinguish a normal accountant from a professional.

❖ **Normal Accountant vs Professional Accountant: – Normal accountants** have generally a degree in accounting (a diploma of higher education) taken after finishing university. They usually work under companies and not for themselves (not independent), which means they have fixed positions with a certain salary. They know basic knowledge of accounting and don't engage in serious and complex matters.

- **Professional accountants** hold not just a diploma of higher education, but other certifications of professionalism, such as the Certified Public Accountant certification (CPA) in U.S.A, or the Algerian Certificate of Professional Accounting in Algeria. These certifications are taken after specific training and education. Professional Accounting requires intensive education, internship, and continuous professional development. Professional accountants never stop from studying and training, and they abide by the International Standards of Accounting. These standards oblige them to treat their clients with objectivity, integrity, and honesty, which is why they can handle difficult and serious situations as well as complicated matter.

❖ **Unique tasks of a Professional Accountant:**

- **Auditing:** They are the only ones allowed to engage in auditing. Through auditing, professional accountants evaluate step by step the financial statements of companies, see if they're fair and correct, and give an objective and independent review about them to the individuals of the company.
- **Financial management:** Professional accountants assist owners and managers in making financial strategies and give very effective thoughts and opinions that can help the owners in preparing for the future.
- **Tax compliance:** Accountants assist individuals and businesses in fulfilling their tax obligations, and they are prepared to solve different problems regarding this matter.

Language part: S.V.O vs S.V.C

- **Activity:** Say if the sentences are SVO or SVC:
  - She is a doctor.
  - Graham Bell invented the telephone.
  - Lions chase lambs.
  - The conference was long.
  - The movie was interesting.
  - The Egyptians built the pyramids.

- They are students.
- They painted the wall.
- The British broke Enigma.

➢ **Answers: SVC / SVO / SVO / SVC / SVC / SVO / SVC / SVO / SVO .**